පාර්ලිමේන්තු ප්‍රකාශන මාලා අංකය : 79
ආයතනයේ නම : කම්කරු දෙපාර්තමේන්තුව
පාර්ලිමේන්තුවේ රජයේ ගිණුම් පිළිබඳ කාරක සභාව විසින් සභාගත කරන ලද වාර්තා සම්බන්ධයෙන් ස්ථාවර නියෝග අංක 119(4) යටතේ ගරු ආයතන භාර අමාත්‍යවරයාගේ නිරීක්ෂණ හා ගනු ලබන පියවර පාර්ලිමේන්තුව වෙත ඉදිරිපත් කිරීම

பாராளுமன்ற வெளியீட்டுத் தொடர் இலக்கம் : 79
நிறுவனத்தின் பெயர் : தொழில் திணைக்களம்
பாராளுமன்றத்தின் அரச கணக்குக் குழுவினால் முவைக்கப்பட்ட அறிக்கை தொடர்பாக நிலையியற் கட்டளை இலக்கம் 119(4) இன் கீழ் நிறுவனங்களிறகுப் பொறுப்பான கௌரவ அமைச்சரின் அவதானிப்புக்களும் மற்றும் அது தொடர்பாக எடுக்கப்படும் நடவடிக்கைகளும் பாராளுமன்றத்திற்குச் சமர்ப்பித்தல்.

Parliamentary Series No: 79
Name of the institution: Labour Department
Submission of observation of the Hon. Minister in charge of the institutions and steps taken with regard to the reports tabled by the Committee on Public Accounts in terms of standing Order No. 119(4)

Format (No. 01)

Parliamentary Series No: 79
Name of the institution: Labour Department

Shortcomings identified by the committee	**Action taken by the establishment to rectify the shortcomings / present situation**
First Part : 91.00	
Risk register has not been updated.	Preparation of risk register has been initiated from year 2022 in terms of the provisions of circular DMA/01-2019(1) and letter No DMA/AMC/02/2021/02 dated 05.04.2021 of the Department of Management and Audit and steps will be taken to maintain the register according to timely changes. Further, as per paragraph 06 of the Management Audit Circular No DMA/1-2024 issued on 21.06.2024 issued on 21.06.2024 every establishment should prepare a risk management framework from 2025 and improve the internal administration processes to identify risks. A committee will be appointed and necessary steps will be followed in future.
The state emblem has not been painted on all vehicles.	Action has been taken to get the state emblem and the department name painted on the vehicles from the government factory Department, and that department has informed to send at least 8 vehicles daily for the same. The vehicles owned by the department have been allocated to divisional offices island wide and the vehicles at the head office have to be engaged for essential and urgent duties such as court duties. Sending a minimum of 08 vehicles daily to the Government Factory Department is practically difficult and therefore painting has not been completed. However steps will be taken to complete painting the state emblem as well as the Department name on all vehicles as at 30.09.2024
Asper F.R. 94(1), after using the provisions for an expenditure code, the provisions left at the end of the year has been credited exceeding the limits.	The provisions left in only 3 recurrent expenditure codes, namely 221-1-1-1202, 221-2-4-1-1302 and 221-2-4-1-1402 at the end of year 2022 had been credited exceeding the limits. The following reasons have affected the same. The Department of Labour comprises of 101 Divisions. Many practical difficulties have arisen in identifying and reporting the credits of all these divisions. The persons reporting credits not identifying them accurately not reporting, reporting without recognizing the correct value, nonpayment after reporting are the reasons for the differences between the reported credits and payments of credit. However steps

<table>
<tr>
<td></td>
<td>have been taken to notify all parties to identify and report accurate credits. Credits will be reported correctly. Further, in 2023 credits have been made so as not to create over expenditure and this has been confirmed through Auditor General's summary report of audit superintendent No LSW/B/LD/02/2022/AQ10 dated 09.07.2024.</td>
</tr>
<tr>
<td>There were outstanding loan balances dating back more than a year.</td>
<td>
1. The balance to be recovered from officers who have vacated their posts, dismissed or retired from employment as at 31st December 2021.
• 2 – 4 years : Rs. 781,108.00
• More than 5 years : Rs. 1,186,675.00
• Total : Rs. 1,967,784.16
<table>
<tr><th>Action taken to recover the loan balances</th><th>Number of officers</th><th>Balances as at 31.12.2021</th><th>Balance recovered or written off as at 29.07.2024</th><th>Balance due</th></tr>
<tr><td>Written off balance under the approval of the secretary to the Ministry</td><td>14</td><td>196,494.25</td><td>196,494.25</td><td>-</td></tr>
<tr><td>Sent for prosecution</td><td>8</td><td>722,539.96</td><td>38,840.21</td><td>683,699.75</td></tr>
<tr><td>Payment in installments</td><td>5</td><td>349,905.00</td><td>116,133.00</td><td>233,772.00</td></tr>
<tr><td>Recovery from guarantor</td><td>1</td><td>99,470.45</td><td>58,130.58</td><td>41,339.87</td></tr>
<tr><td>Payment completed</td><td>1</td><td>52,248.00</td><td>52,248.00</td><td>-</td></tr>
<tr><td>Deceased, no reply to letters, the address cannot be confirmed</td><td>13</td><td>547,126.50</td><td></td><td>547,126.50</td></tr>
<tr><td>Total</td><td>42</td><td>1,967,784.16</td><td>461,846.04</td><td>1,505,938.12</td></tr>
</table>
2. An amount of Rs. 1,967,784.16 න් රු.461, 846.04 from the total loan balance to be recovered. For recovery of the outstanding loan balance,
• 8 loan balances worth Rs. 683,699.75 have been sent for prosecution.
</td>
</tr>
</table>

	• 5 loan balances worth Rs. 233,772.00 are paid by the officers in installments. • A loan balance of Rs. 41,339.87 is being recovered from the Guarantor. • Letters have been sent to the relevant officers and divisional Secretariats to recover 13 loan balances worth Rs. 547,126.50 Authority has been vested on the chief Accounting officer to write off loans which have been outstanding for a long period, up to a loan balance of Rs, 100,000.00 under state finance circular 01/2024 (4) interim provisions dated 29.05.2024. Therefore the lone balances which cannot be recovered will be written off before 31.12.2024. Accordingly, a sum of Rs. 457,854.90 out of the total loan balance of Rs. 1,967,784.16 has been identified to be written off under state finance Circular 01/2024 (4).
Action has not been taken regarding the overdue deposits of the General Deposit Account as per F.R. 571	All efforts are taken to act in terms of F.R. 571 with regard to deposits which have been overdue for more than two years. This sum includes Employees Provident Fund deposits as well as money collected in installments through prosecution. The payments have been delayed due to reasons such as, not being able to make the payments until the total sum sum is collected, migration of the members, death of the money owners and having to wait till the inheritors presents themselves. However as a result of this delay the money credited to the government revenue had to be called back and paid on many occasions. Due to the delays in getting back this money the owners of the money have to face a lot of difficulties. Therefore crediting this money to the government revenue has been delayed. At present action is taken to make inquiries from all the divisions and regional offices and settle the delayed deposits within the next five months. With the objective of setting the balance overdue for two years a standing committee will be appointed, by the Employees Provident Fund to settle the recoveries received by the General Deposit Account, through the Magistrate court of Colombo area. In order to settle the Employees Provident Fund balance, the Magistrate court of Colombo area together with the recoveries section is taking the necessary steps to get the cheques received by the EPF recoveries at present to the relevant district offices in future. This will enable the identification of the balances of the general deposit account without any trouble in future.

	In settlement of the balances which are not EPF (arrears of salary, gratuity, compensation fees, other) the termination branch is ready to publish newspaper notices regarding the employees of whom addresses cannot be found. If the employees do not present themselves even after publishing the notice, it is suitable to credit the relevant compensation to the government revenue. We kindly inform that this will take a period of approximately four months. This is identified by the department and it will be included in the annual action plan – 2024 for rectification.
Second Part : 82.00	
Performance agreements including the whole staff had not been prepared.	Annual performance agreements for 2022 had not been prepared and signed with regard to the staff of the department based on annexure 01 mentioned in public Administration Circular 02/2018. Still, the initial steps had been taken. A staff of 2593 persons are engaged in 70 posts of the Department of Labour as at 31.12.2021 in the divisions of the head office as well as regional offices as well as regional offices island wide. Preparing performance agreements in accordance with the annual action plane of the department for all officers is a complex function and it was under study in 2022. Therefore annual performance evaluations were carried out for the whole staff based on performances evaluations formats introduced by Public Administration Circular No. 07/98, 08/98(i) and 08/98(ii) of 13.03.1998,30.04.1998 and 11.12.1998 until the preparation of performance agreements. It is hereby further stated that annual performance evaluation of the staff of the Department of Labour for year 2022 has been continuously and comprehensively concluded. Furthermore your kind attention is drawn towards paragraph 3 of Public Administration circular 02/2018(i) dated 30.11.2023 related to "Development of Human Resources in Public sector" issued in addition to aforementioned circular bearing No: 02/2018. As per that circular it is mentioned that paragraph (1) of Public Administration circular 02/2018 is amended and therefore there is no need to signup performance agreements as stated in the circular. I kindly mention that through the circular further usage of the performance evaluation formats introduced by Public Administration circular 07/98, 08/98(i) and 08/98(ii) in respect of all staff and non – staff officers has been approved. Accordingly, it is kindly stated that necessary steps have been taken for using performance evaluation formats as per Public Administration circular 02/2018(1) for the officer of the department.
The number of planed training opportunities prevailed at a level lower than 50%	The basic training plan (human resource development plan) was prepared as a period of not less than 12 hours per year covering all officers of the senior level, tertiary level, secondary level and primary level by the Department of Labour for 2021 and 2022.

	Accordingly, training programmes were planned and conducted covering 70% of the relevant officers of the above officer categories for 2022, paying attention to the provisions allocated for training programmes of the department by the 2022 budget. Therefore, I kindly mention that the training opportunities given for 2022 was not 50% as stated but at a level of 70% when compared with the planned training opportunities basically given in the Human Resource Development plan for 2021 and 2022. Furthermore, the human resource development plan was prepared for 2023 and 2024 by the Department of Labour including the basic training plan to provide training opportunities of not less than 12 hours per year covering officer of all officer categories, namely, the senior level tertiary level secondary level and primary level. I kindly mention that attention was paid to the provisions allocated by the annual budget for 2023 and 2024 for the department in preparing the annual training plans separately to provide training opportunities to more than 50% of the relevant officers. In addition to that, I state that responsibilities have been vested in the respective officers to perform this function continuously as per circulars and instructions updated from time to time.
The Audit opinion of the establishment is at qualified/ disclaimer/ adverse level	Since this department has received a qualified opinion for the audit , the financial statements have been provide to be true and fair despite the effect of those audit matters. Rectifications in accordance with the audit observations of previous years have been dune continuously with regard to qualified opinions received and necessary action will be taken to ascertain that such situations do not arise in future financial statements.

Ranil Wickremesinghe
Minister of Labour and Foreign Employment